

The background of the slide features a photograph of graduates in black academic regalia, including caps and gowns. They are holding their caps high in the air, and the scene is bathed in a warm, golden light, suggesting a celebratory atmosphere at a graduation ceremony.

USHE Affordability Task Force

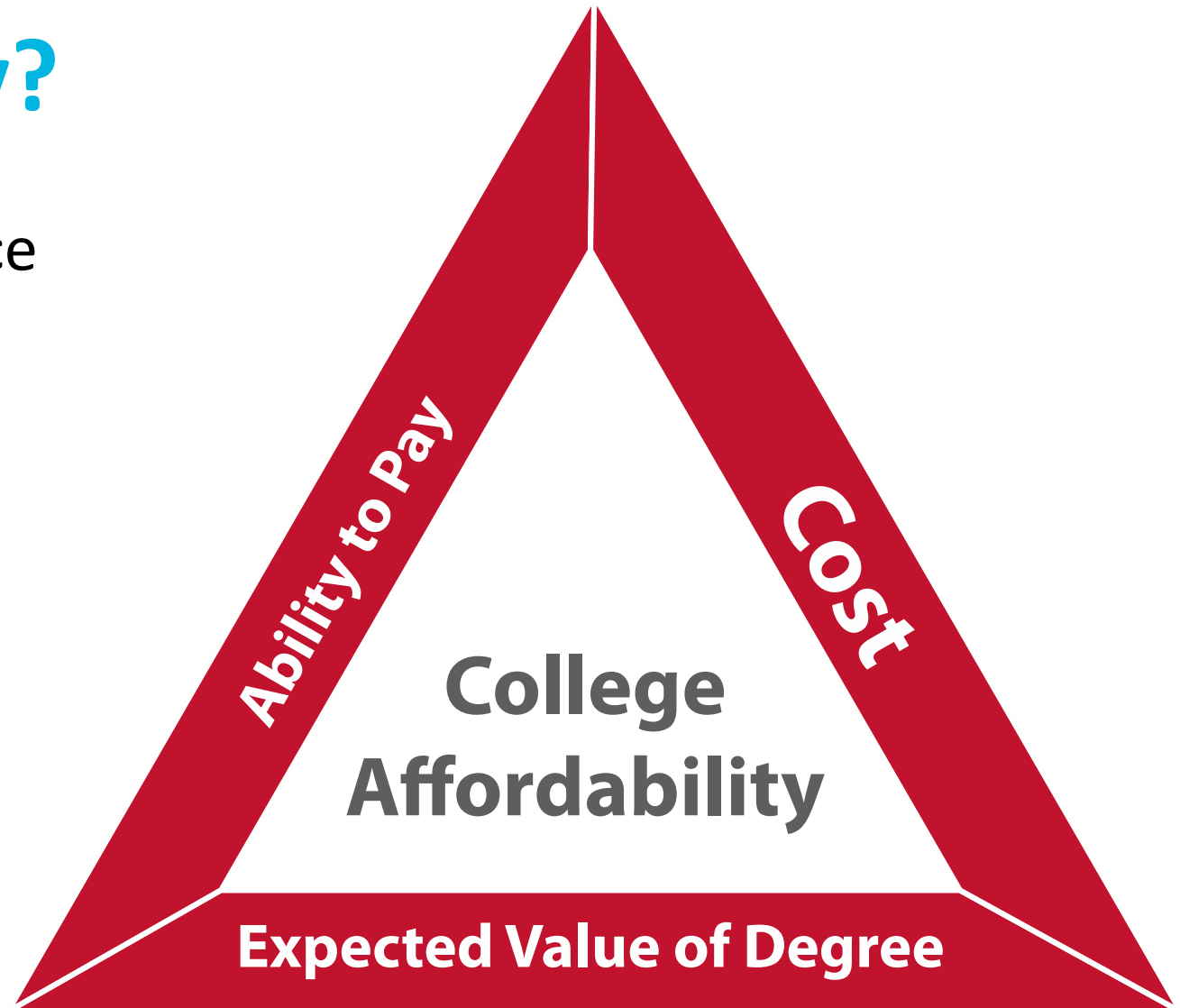
Higher Education Strategic
Planning Commission

June, 24 2020

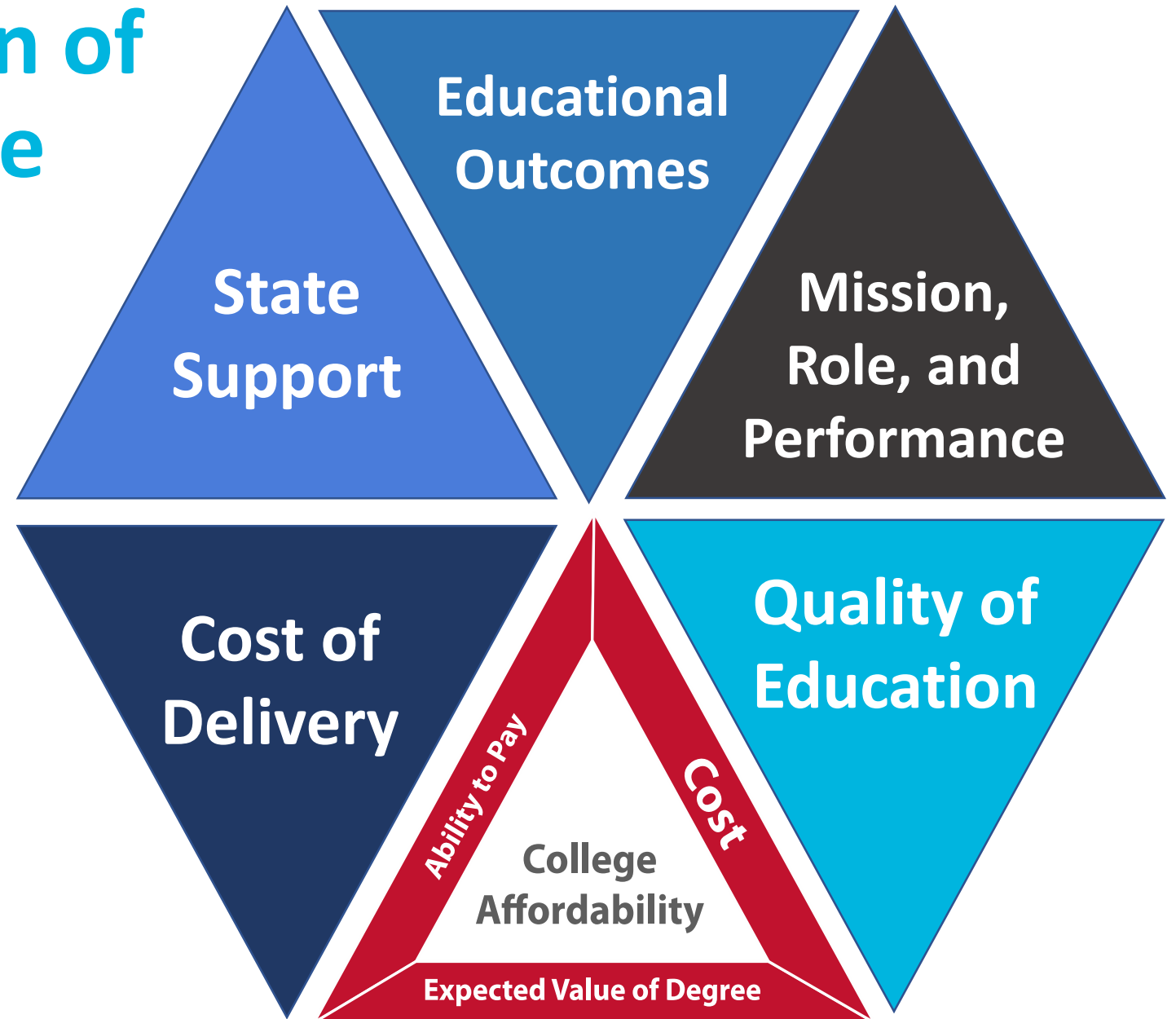


What is Affordability?

- Question asked of the Task Force
- A very INDIVIDUAL answer
- Lumina Rule of Ten
- Kem C. Gardner Institute Work



Broader Question of Educational Value

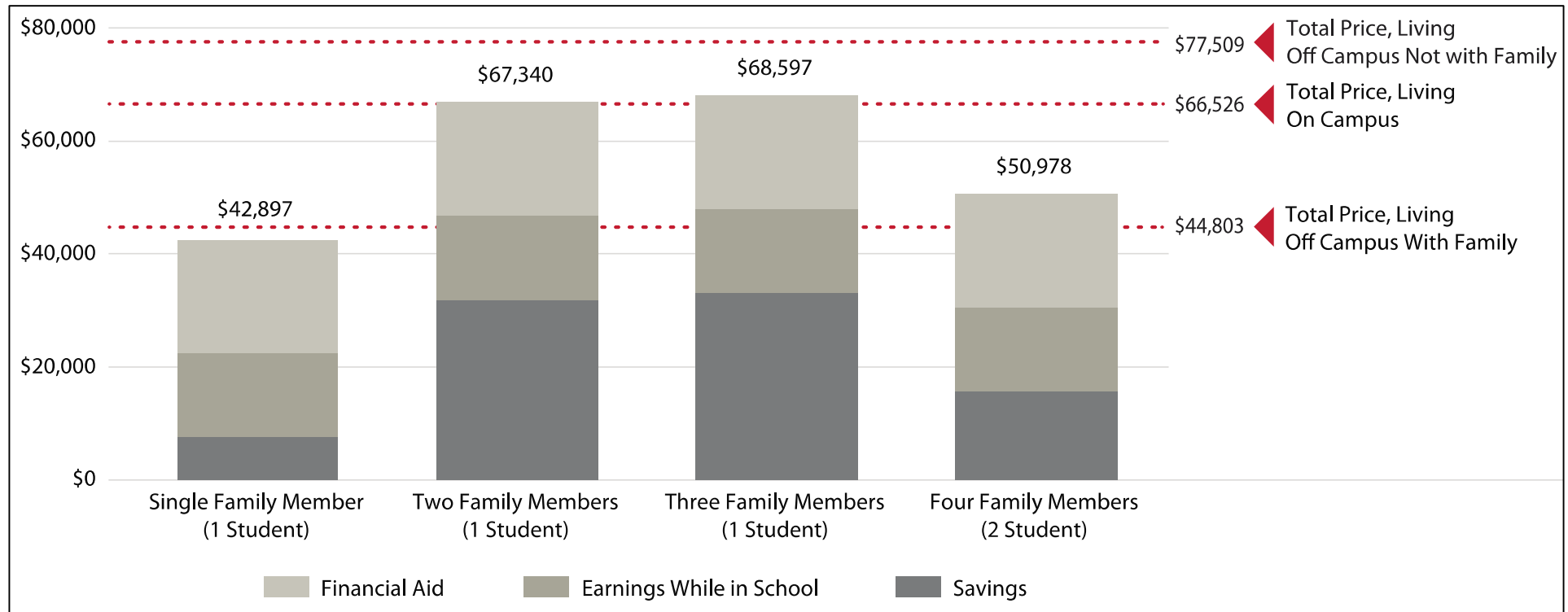


Lumina Foundation Rule of 10

- Alternative to Federal Estimated Family Contribution (EFC)
- Students should pay no more for college than:
 - Saving **10%** of discretionary income for **10** years
 - Discretionary income = income at 200% of Poverty
 - Household of 1: Poverty = \$12,490; 200% = \$24,980
 - Household of 2: Poverty = \$16,910; 200% = \$33,820
 - Household of 4: Poverty = \$25,750; 200% = \$51,500
 - Household of 6: Poverty = \$34,590; 200% = \$69,180
 - Working **10** hours per week
 - Available financial aid (federal, state, institution)



Gardner Unmet Need Calculation – Rule of 10



Definition of Affordability

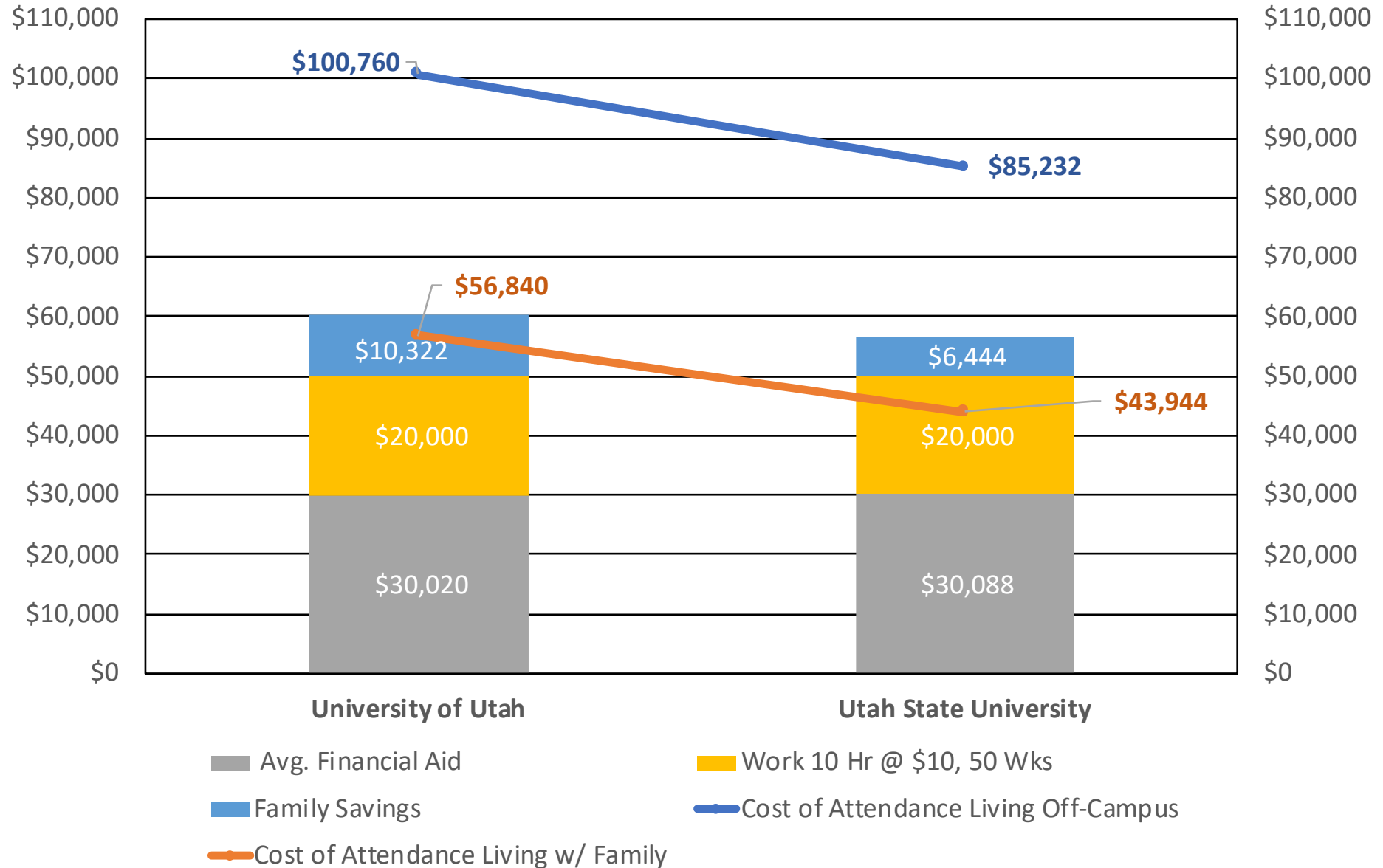
Affordability is the ability of a *traditional full-time* Utah student from a family of four to cover the cost of attendance at a USHE institution while living at home with financial aid, reasonable family savings, and the student contributing ten hours of weekly work earnings, without incurring student debt

Affordability Model Factors

- Based on Gardner Report and Lumina Rule of 10
- Cost of attendance
 - Tuition and fees, books, supplies, transportation
 - Living with family or off-campus
- Ability to pay
 - Student aid (federal, state, institution)
 - Family savings or contribution
 - Family circumstances, income level, and size
 - Work contribution
- Other factors
 - Non-traditional, part-time, or head of household
 - Traditional 4-year timeframe versus 6+ years
 - Concurrent Enrollment and transfer credit

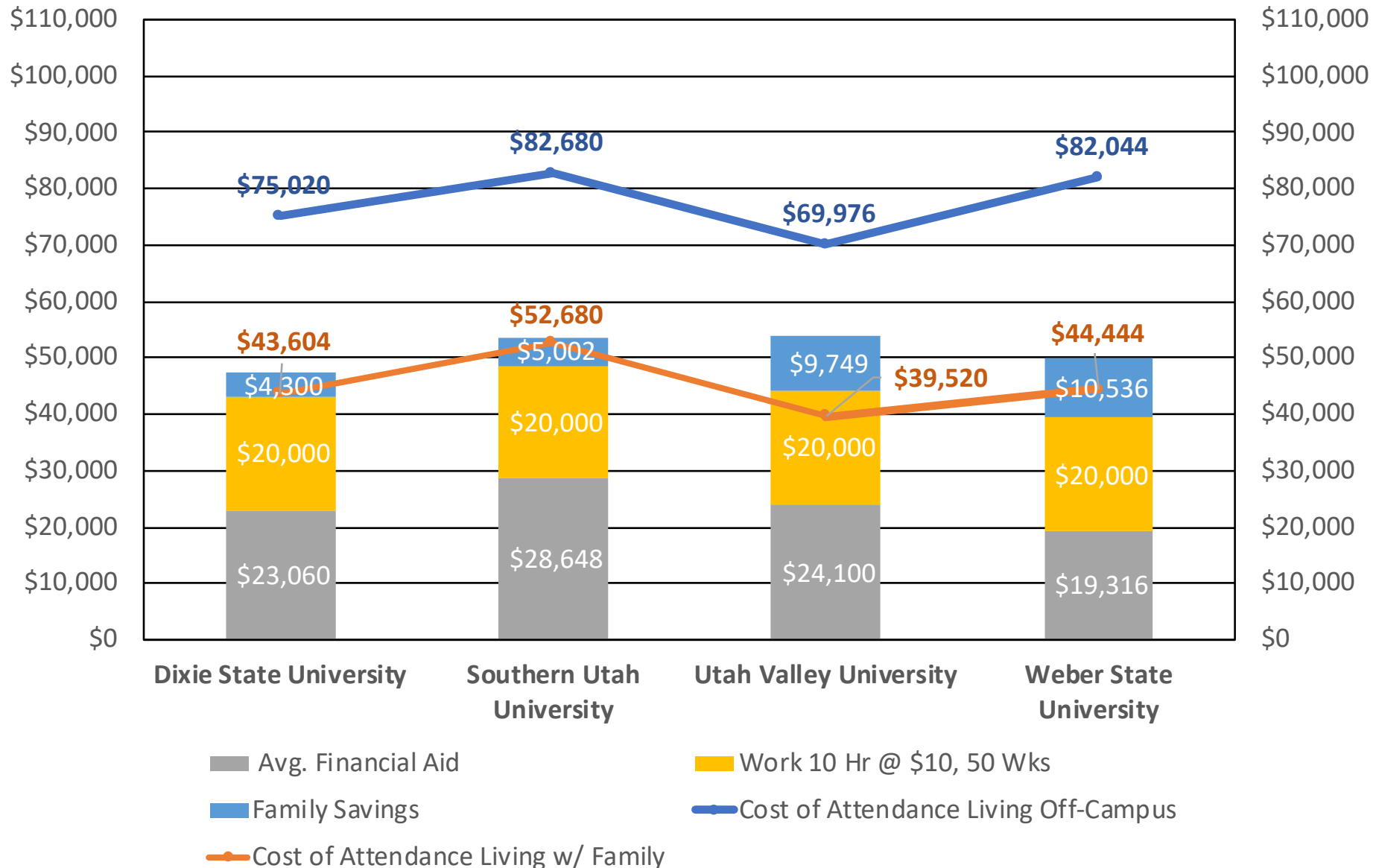


USHE Research Universities Cost of 4-Year Attendance compared to Financial Aid and Rule of 10

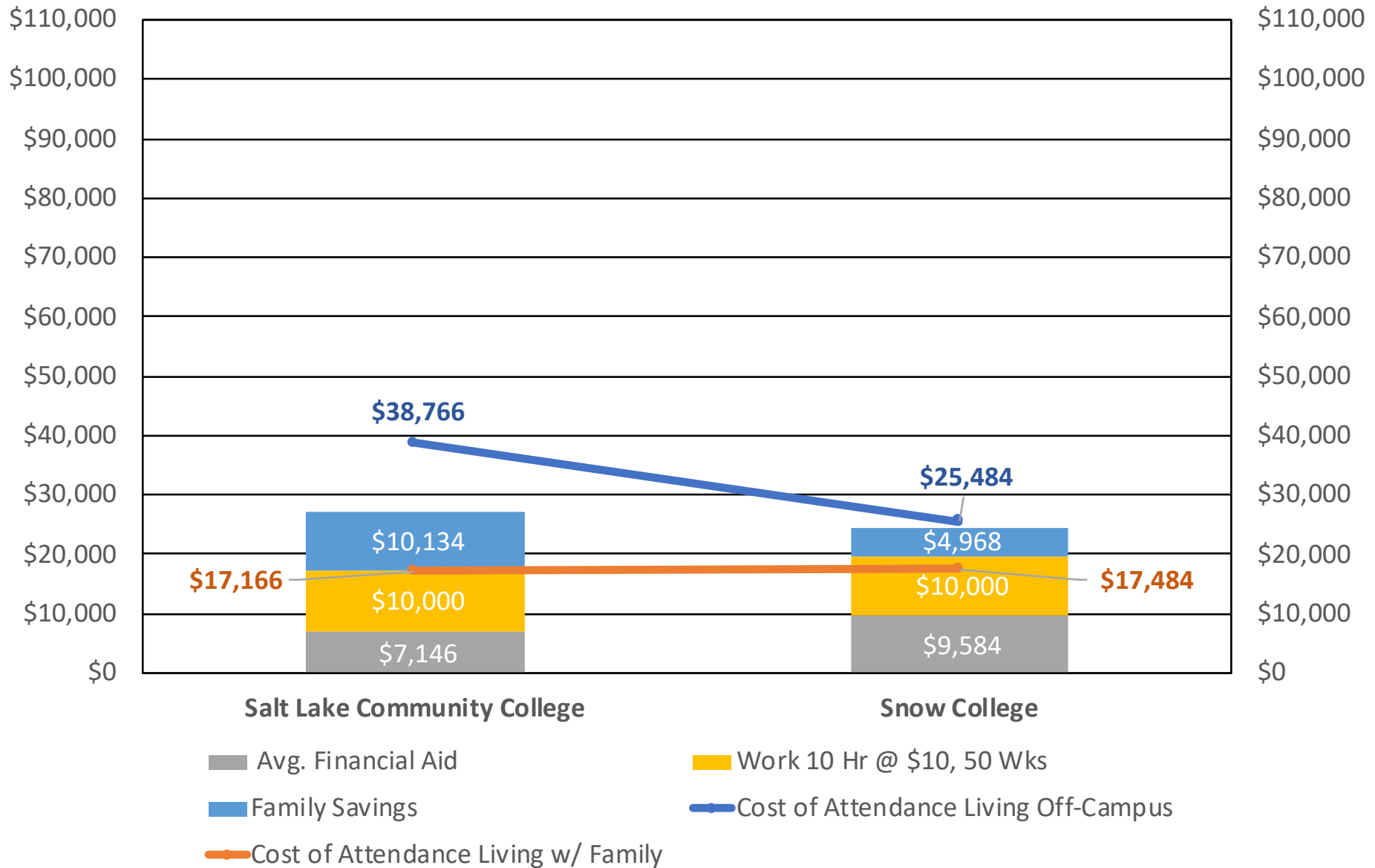


USHE Regional and Dual-Mission Universities

Cost of 4-Year Attendance compared to Financial Aid and Rule of 10

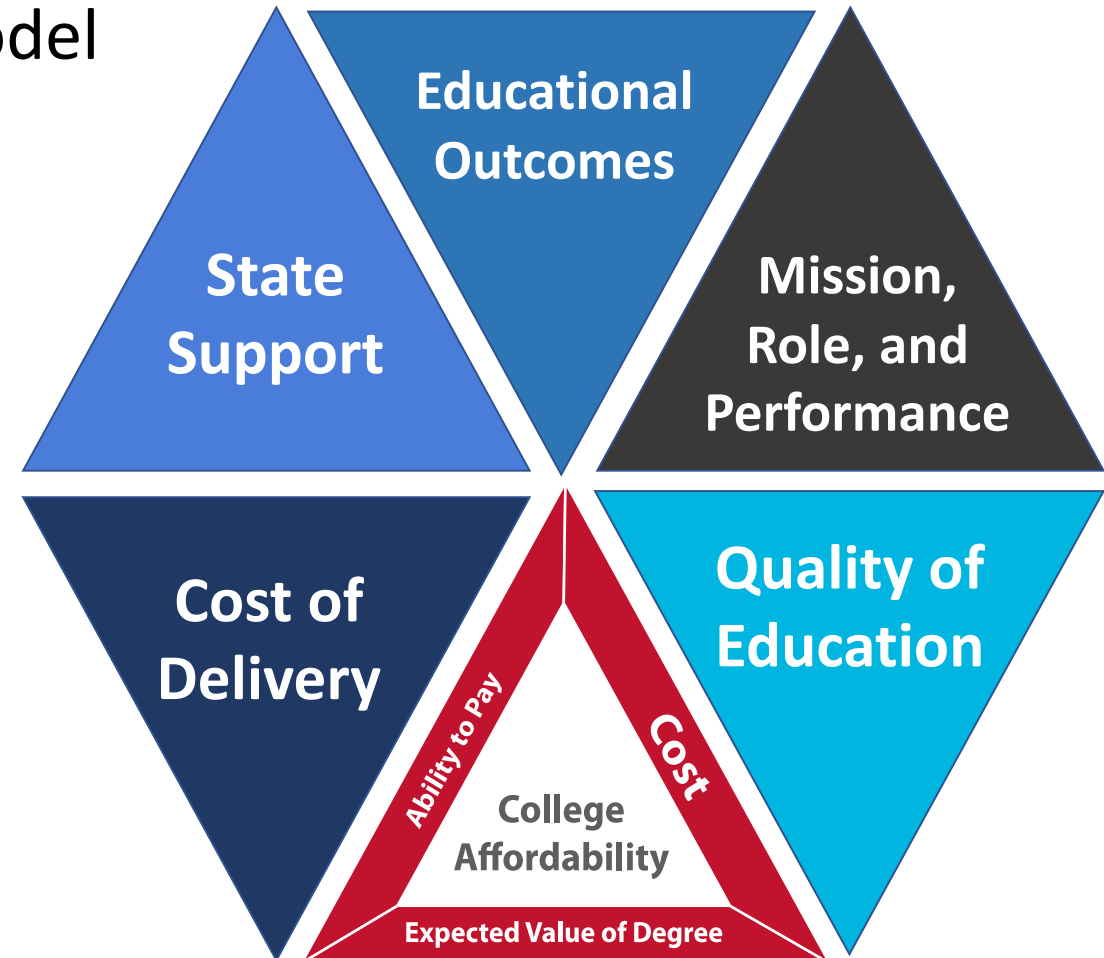


USHE Community Colleges Cost of 2-Year Attendance compared to Financial Aid and Rule of 10



Broader Question of Educational Value

- Continue work on the Affordability Model
 - Incorporate non-traditional students
 - Include UTECH
 - Compare with peer institutions
 - Use data to explore individual situations
- Explore Educational Value
 - Educational quality and outcomes
 - Cost efficiency and service delivery
 - Performance goals and attainment



Board Action – March 2020

- Adopted a working definition of affordability for 2020-21 tuition:
 - Affordability is the ability of a *traditional full-time* Utah student from a family of four to cover the cost of attendance at a USHE institution while living at home with financial aid, reasonable family savings, and the student contributing ten hours of weekly work earnings, without incurring student debt
- Recommendation to continue the work of the Task Force with the new Board



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